

AMENDED IN ASSEMBLY JUNE 28, 2012
AMENDED IN SENATE JANUARY 12, 2012
AMENDED IN SENATE JANUARY 4, 2012
AMENDED IN SENATE MAY 27, 2011
AMENDED IN SENATE MAY 11, 2011
AMENDED IN SENATE APRIL 25, 2011
AMENDED IN SENATE MARCH 31, 2011

SENATE BILL

No. 383

Introduced by Senator Wolk

February 15, 2011

An act to repeal Sections 19850.5 and 19850.6 of the Business and Professions Code, and to amend ~~Sections 326.3 and 326.5 of~~ *and repeal Section 326.3 of, and to amend, repeal, and add Section 326.5 of,* the Penal Code, relating to bingo, *making an appropriation therefor,* and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 383, as amended, Wolk. Remote caller bingo.

The California Constitution allows the Legislature, by statute, to authorize cities and counties to provide for bingo games for charitable purposes. Existing law authorizes cities and counties to permit eligible nonprofit organizations to conduct bingo games and remote caller bingo games, as defined, for charitable purposes pursuant to an ordinance that allows those games to be conducted in accordance with specified requirements. Existing law sets forth a model ordinance for a city, county, or city and county to authorize remote caller bingo, and prohibits

an organization from conducting remote caller bingo more than 2 days per week. Existing law requires an organization authorized to conduct remote caller bingo games to provide at least 30 days' advance written notice of its intent to conduct a remote caller bingo game.

This bill additionally would permit a city, county, or city and county to amend an existing local ordinance that allows bingo games to be conducted within that jurisdiction, by resolution, to permit the conduct of remote caller bingo games pursuant to that ordinance, as specified. The bill would include among those organizations eligible to conduct remote caller bingo a charitable organization affiliated with a community college district. The bill would prohibit an organization from conducting remote caller bingo more than 2 days per week, but would permit an organization to hold one additional game, at its election, in each calendar quarter. The bill would require an organization authorized to conduct remote caller bingo games to provide at least 10 days' advance written notice of intent to conduct a remote caller bingo game on a form prescribed by the city, county, or city and county, and to provide notice within 24 hours if the location of the remote caller bingo game changes. The bill also would repeal the model ordinance.

Existing law requires the California Gambling Control Commission to regulate remote caller bingo, including licensure and operation. Among other things, any person who conducts a remote caller bingo game and any person who manufactures or otherwise provides equipment for use in the playing of a remote caller bingo game are required to be licensed. Existing law also requires the commission to approve all equipment used for remote caller bingo in advance, to monitor operation of the transmission and other equipment used for remote caller bingo, and to monitor the game.

This bill would delete all state licensure requirements for the conduct of remote caller bingo, and would, instead, require an organization that is eligible to conduct remote caller bingo games to register annually with the commission *or the Department of Justice*, as specified. The bill would require the commission *or the department* to maintain a registry ~~on its Internet Web site~~ of all organizations registered to conduct remote caller bingo *and the dollar amount received by those organizations to repay a specified loan to the Charitable Bingo Mitigation Fund*. The bill would authorize the commission *or the department* to charge an annual registration fee of \$100, to be deposited into the California Bingo Fund, to cover the ~~commission's~~ actual costs to administer and enforce these provisions, and would authorize the

commission *or the department* to adopt regulations in that regard. The bill would require an organization licensed to conduct remote caller bingo, or a management company contracted with a licensed organization, to register all of its local bingo licenses with the commission *or the department*. The bill would authorize the commission *or the department* to charge a fee to cover the cost of ~~the~~ *this* registration requirement and would require that registration information be made available to the public upon request.

The bill would make other technical and conforming changes relating to the duties of the ~~Department of Justice~~ *department* and the commission, including setting forth procedures for a city, county, or city and county, as the local licensing entity, to ~~obtain~~ *request* a background check from the department. *The bill would authorize the department to charge a fee sufficient to cover the cost of processing the background check, and would provide for the deposit of that fee revenue into the Fingerprint Fees Account, to be continuously appropriated to the department for that cost. By providing for a continuous appropriation, the bill would make an appropriation. The bill also would require the department to conduct a background investigation of each management company and to conduct field enforcement, as specified.* The bill would delete the requirement that the commission approve all equipment used for remote caller bingo in advance, but would require the city, county, or city and county to monitor operation of the transmission and other equipment used for remote caller bingo and to monitor the game. The bill would authorize the commission *or the department* to audit the books and records of a licensed organization or a management company contracted by a licensed organization to conduct remote caller bingo at any time and to charge a fee for the audit. The bill would require the audit information to be made available to the public upon request. Additionally, the bill would require a management company to retain an independent California certified public accountant to conduct an annual audit of its books and records, and would subject a management company to a civil penalty for filing false information with the commission *or the department*.

~~To ensure continuity of remote caller bingo games, this bill would, until June 1, 2012, authorize a city, county, or city and county to recognize a state license, work permit, or approval of equipment that was issued by the commission and in effect on June 30, 2011, as specified. The bill would permit an authorized organization to contract with a management company to provide business services, but would~~

require the organization to give notice of the contract to the city, county, or city and county and to meet other requirements, as specified. The bill would require the live, physical calling and broadcast of a remote caller bingo game to be conducted from a jurisdiction that authorizes by local ordinance the conduct of remote caller bingo games.

This bill would make additional changes relating to the requirements for cosponsoring remote caller bingo games, and would simplify other procedures and requirements applicable to the conduct of remote caller bingo games.

Under existing law, any violation of the remote caller bingo provisions described above is a misdemeanor, punishable as specified.

This bill would expand the scope of an existing crime by imposing different requirements for the conduct of remote caller bingo, thereby creating a state-mandated local program.

Existing law required the California Gambling Control Commission to submit a report to the Legislature, on or before January 1, 2012, on the fundraising effectiveness and regulation of remote caller bingo. A loan from the Gambling Control Fund to the California Bingo Fund for the startup costs relating to remote caller bingo is required to be repaid within 5 years after the date of the loan.

This bill would delete that reporting requirement, and would delete the requirement that the startup loan be repaid within 5 years. *The bill would require the department and the commission, on or before October 1, 2015, to report their findings to the Legislature, as to whether continuation of the remote caller bingo program and state oversight of that program is warranted based on specified findings. The bill would repeal the remote caller bingo program as of January 1, 2017.*

Existing law authorizes players who are physically present at a bingo game to use hand-held, portable card-minding devices, as specified, that are approved prior to use by the California Gambling Control Commission. Additionally, the commission is required to license persons or entities that manufacture, supply, or service card-minding devices and related equipment, and may inspect and prohibit the use of any card-minding devices that are noncompliant. Existing law requires the commission to adopt regulations concerning remote caller bingo and card-minding devices.

This bill would repeal these provisions relating to card-minding devices and the duties of the commission.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: ~~no~~ yes. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 *SECTION 1. It is the intent of the Legislature in enacting this*
2 *act to be consistent with the Governor's Reorganization Plan No.*
3 *2 of 2012 (GRP 2), which consolidates the support, investigatory,*
4 *auditing, and compliance functions of the California Gambling*
5 *Control Commission and transfers these duties to the Department*
6 *of Justice. Under GRP 2, the commission retains jurisdiction over*
7 *the licensing, policies, regulations, criteria, and standards*
8 *pertaining to gaming.*

9 ~~SECTION 1.~~

10 *SEC. 2.* Section 19850.5 of the Business and Professions Code
11 is repealed.

12 ~~SEC. 2.~~

13 *SEC. 3.* Section 19850.6 of the Business and Professions Code
14 is repealed.

15 ~~SEC. 3.~~

16 *SEC. 4.* Section 326.3 of the Penal Code is amended to read:

17 326.3. (a) The Legislature finds and declares all of the
18 following:

19 (1) Nonprofit organizations provide important and essential
20 educational, philanthropic, and social services to the people of the
21 State of California.

22 (2) One of the great strengths of California is a vibrant nonprofit
23 sector.

24 (3) Nonprofit and philanthropic organizations touch the lives
25 of every Californian through service and employment.

26 (4) Many of these services would not be available if nonprofit
27 organizations did not provide them.

(5) There is a need to provide methods of fundraising to nonprofit organizations to enable them to provide these essential services.

(6) Historically, many nonprofit organizations have used charitable bingo as one of their key fundraising strategies to promote the mission of the charity.

(7) Legislation is needed to provide greater revenues for nonprofit organizations to enable them to fulfill their charitable purposes, and especially to meet their increasing social service obligations.

(8) Legislation is also needed to clarify that existing law requires that all charitable bingo must be played using a tangible card and that the only permissible electronic devices to be used by charitable bingo players are card-minding devices.

(b) Neither the prohibition on gambling in this chapter nor in Chapter 10 (commencing with Section 330) applies to any remote caller bingo game that is played or conducted in a city, county, or city and county pursuant to an ordinance enacted under Section 19 of Article IV of the California Constitution, if the ordinance allows a remote caller bingo game to be played or conducted only in accordance with this section, including the following requirements:

(1) The game may be conducted only by the following organizations:

(A) An organization that is exempted from the payment of the taxes imposed under the Corporation Tax Law by Section 23701a, 23701b, 23701d, 23701e, 23701f, 23701g, 23701k, 23701l, or 23701w of the Revenue and Taxation Code.

(B) A mobilehome park association.

(C) A senior citizens organization.

(D) Charitable organizations affiliated with a school district or community college district.

(2) The organization conducting the game shall have been incorporated or in existence for three years or more.

(3) The organization ~~conducting the game~~ *and its management company, if any*, shall be licensed *to conduct remote caller bingo*. *A licensing fee may be collected* pursuant to subdivision (l) of Section 326.5.

1 (4) The receipts of the game shall be used only for charitable
2 purposes. The organization conducting the game shall determine
3 the disbursement of the net receipts of the game.

4 (5) The operation of bingo may not be the primary purpose for
5 which the organization is organized.

6 ~~(e) (1) To ensure continuity of remote caller bingo games, until~~
7 ~~June 1, 2012, the local licensing entity may recognize a state~~
8 ~~license, work permit, or approval of equipment that was issued by~~
9 ~~the commission pursuant to this section, and in effect on June 30,~~
10 ~~2011, including, but not limited to, any of the following:~~

11 ~~(A) An interim license of a person who conducts remote caller~~
12 ~~bingo games approved by the commission, as of June 30, 2011.~~

13 ~~(B) An interim work permit for personnel employed by an~~
14 ~~organization that conducts remote caller bingo games.~~

15 ~~(C) An interim approval of equipment used for remote caller~~
16 ~~bingo games.~~

17 ~~(2) If the local licensing entity decides to recognize a license,~~
18 ~~work permit, or equipment approval issued by the commission,~~
19 ~~the local licensing entity shall be responsible for regulatory~~
20 ~~oversight and enforcement in accordance with the standards and~~
21 ~~procedures applicable within its jurisdiction pursuant to local~~
22 ~~ordinance.~~

23 ~~(3) Any reference to the commission as the licensing authority~~
24 ~~for the conduct of remote caller bingo games that appears in a local~~
25 ~~ordinance adopted prior to the operative date of the act adding this~~
26 ~~subdivision shall be deemed to refer to the local licensing entity.~~

27 ~~(d)~~

28 (c) (1) It is a misdemeanor for any person to receive or pay a
29 profit, wage, or salary from any remote caller bingo game, provided
30 that administrative, managerial, technical, financial, and security
31 personnel employed by the organization conducting the bingo
32 game may be paid reasonable fees for services rendered from the
33 revenues of bingo games, as provided in subdivision ~~(m)~~ (l), except
34 that fees paid under those agreements shall not be determined as
35 a percentage of receipts or other revenues from, or be dependent
36 on the outcome of, the game.

37 (2) A violation of this subdivision shall be punishable by a fine
38 not to exceed ten thousand dollars (\$10,000), which fine shall be
39 deposited in the general fund of the city, county, or city and county
40 that enacted the ordinance authorizing the remote caller bingo

1 game. A violation of any provision of this section, other than this
2 subdivision, is a misdemeanor.

3 ~~(e)~~

4 ~~(d)~~ The city, county, or city and county that enacted the
5 ordinance authorizing the remote caller bingo game, or the Attorney
6 General, may bring an action to enjoin a violation of this section.

7 ~~(f)~~

8 ~~(e)~~ No minors shall be allowed to participate in any remote
9 caller bingo game.

10 ~~(g)~~

11 ~~(f)~~ A remote caller bingo game shall not include any site that is
12 not located within this state.

13 ~~(h)~~

14 ~~(g)~~ An organization authorized to conduct a remote caller bingo
15 game pursuant to subdivision (b) shall conduct the game only on
16 property that is owned or leased by the organization, or the use of
17 which is donated to the organization. Nothing in this subdivision
18 shall be construed to require that the property that is owned or
19 leased by, or the use of which is donated to, the organization be
20 used or leased exclusively by, or donated exclusively to, that
21 organization.

22 ~~(i)~~

23 ~~(h)~~ (1) All remote caller bingo games shall be open to the
24 public, not just to the members of the authorized organization.

25 (2) No more than 750 players may participate in a remote caller
26 bingo game in a single location.

27 (3) If the Governor of California or the President of the United
28 States declares a state of emergency in response to a natural disaster
29 or other public catastrophe occurring in California, an organization
30 authorized to conduct remote caller bingo games may, while that
31 declaration is in effect, conduct a remote caller bingo game
32 pursuant to this section with more than 750 participants in a single
33 venue if the net proceeds of the game, after deduction of prizes
34 and overhead expenses, are donated to or expended exclusively
35 for the relief of the victims of the disaster or catastrophe, and the
36 organization gives the local licensing entity at least 10 days' written
37 notice of the intent to conduct that game.

38 (4) An organization authorized to conduct remote caller bingo
39 games shall provide the local licensing entity with at least 10 days'
40 advance written notice of its intent to conduct a remote caller bingo

game. That notice shall be on a form prescribed by the local licensing entity. If the location of the remote caller bingo game changes, the organization shall provide the local licensing entity notice by e-mail, telephone, or facsimile within 24 hours of the change of location.

(j)

(i) (1) An organization eligible to conduct a remote caller bingo game pursuant to subdivision (b) shall register annually with the commission *or the department* in order to conduct remote caller bingo games pursuant to this section. The commission *or the department* shall provide to eligible nonprofit organizations, upon request, a registration form. The commission ~~also~~ *or the department* shall post the registration form on its Internet Web site. Only the information necessary for the commission *or the department* to implement this section shall be required for completion of the registration form, including, but not limited to, all of the following relative to the eligible organization:

(A) Name and address of the organization, and a mode of contract, such as a telephone number, for the organization that members of the public and government agencies may use during normal business hours to obtain information about the organization's finances and activities. The telephone number of an official of the organization who can provide that information may be used.

(B) Federal tax identification number, corporate number issued by the Secretary of State, organization number issued by the Franchise Tax Board, or California charitable trust identification number.

(C) Name and title of a responsible fiduciary of the organization.

(2) The commission *or the department* shall maintain a registry ~~on its Internet Web site~~ of all organizations registered to conduct remote caller bingo ~~pursuant to this section~~ *and the dollar amount received by those organizations to repay the loan to the Charitable Bingo Mitigation Fund pursuant to paragraph (2) of subdivision (d) of Section 326.4*. Prior to issuing a license pursuant to a local ordinance, the local licensing entity shall confirm that an organization applying to operate a remote caller bingo game is registered and in good standing according to the registry available on the commission's *or the department's* Internet Web site.

(3) The commission *or the department* may require an eligible organization to pay an annual registration fee of one hundred dollars (\$100) to cover the actual costs of the commission *or the department* to administer and enforce this section. The commission *or the department* may, by regulation, adjust the annual registration fee as needed to ensure that revenues will fully offset, but not exceed, the actual costs incurred by the commission *or the department* pursuant to this section. Fee revenues shall be deposited by the department into the California Bingo Fund.

(4) The commission *or the department* may adopt regulations to implement this section. The initial adoption, amendment, or repeal of a regulation authorized by this section is deemed to address an emergency, for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the commission *or the department* is hereby exempted for that purpose from the requirements of subdivision (b) of Section 11346.1 of the Government Code. After the initial adoption, amendment, or repeal of an emergency regulation pursuant to this section, the commission *or the department* may request approval from the Office of Administrative Law to readopt the regulation as an emergency regulation pursuant to Section 11346.1 of the Government Code.

(5) The department shall have concurrent jurisdiction with local law enforcement agencies to enforce this section.

~~(k)~~

(j) (1) A remote caller bingo game shall be operated and staffed only by members of the authorized organization that organized it. Those members shall not receive a profit, wage, or salary from any remote caller bingo game. Only the organization authorized to conduct a remote caller bingo game shall operate that game, or participate in the promotion, supervision, or any other phase of a remote caller bingo game. Subject to subdivision ~~(m)~~ (l), this subdivision shall not preclude the employment of administrative, managerial, technical, financial, or security personnel who are not members of the authorized organization at a location participating in the remote caller bingo game by the organization conducting the game. Notwithstanding any other law, exclusive or other agreements between the authorized organization and other entities or persons to provide services in the administration, management, or conduct of the game shall not be considered a violation of the prohibition against holding a legally cognizable financial interest

1 in the conduct of the remote caller bingo game by persons or
2 entities other than the charitable organization, or other entity
3 authorized to conduct the remote caller bingo games. Fees to be
4 paid under those agreements shall be reasonable and shall not be
5 determined as a percentage of receipts or other revenues from, or
6 be dependent on the outcome of, the game.

7 (2) An authorized organization may contract with a management
8 company to provide business services, including, but not limited
9 to, game accounting and bingo game consulting, including
10 operations of broadcasting and telecasting assistance. An authorized
11 organization that contracts with a management company shall do
12 all of the following:

13 (A) Indicate on the application to conduct remote caller bingo
14 games that is submitted to the local licensing entity that it has
15 contracted with a management company. The authorized
16 organization shall notify the local licensing entity in writing if it
17 contracts with a management company subsequent to the
18 submission of its application to the local licensing entity.

19 (B) Ensure that the management company has a business license
20 and request a live scan background check for each employee or
21 consultant that has a 10 percent or greater ownership interest in
22 any management company.

23 (C) Maintain on file the name, address, and contact numbers of
24 the management company, and provide that information to the
25 department upon request.

26 (3) A management company that is retained by an authorized
27 organization to manage a remote caller bingo game shall file all
28 of the following with the commission *or the department*:

29 (A) The legal name of the management company and the address
30 of record of the agent upon whom legal notice may be served.

31 (B) The physical locations of the caller and each of the remote
32 sites at which remote caller bingo is played.

33 (C) The names of any site managers employed by the
34 management company.

35 (D) A copy of the local ordinance for each remote site at which
36 remote caller bingo is played.

37 (4) The live, physical calling and broadcast of a remote caller
38 bingo game shall be conducted from a jurisdiction that authorizes
39 by local ordinance the conduct of remote caller bingo games.

(5) Any person who knowingly violates paragraph (3) by providing false information shall be subject to a civil penalty in the amount of five thousand dollars (\$5,000). An action for a civil penalty may be brought by any public prosecutor.

(6) An organization that conducts a remote caller bingo game shall designate a person as having fiduciary responsibility for the game.

~~(h)~~

(k) No individual, corporation, partnership, or other legal entity, except the organization authorized to conduct or participate in a remote caller bingo game, shall hold a legally cognizable financial interest in the conduct of that game.

~~(m)~~

(l) An organization authorized to conduct a remote caller bingo game pursuant to this section shall not have overhead costs exceeding 20 percent of gross sales, except that the limitations of this section shall not apply to one-time, nonrecurring capital acquisitions. For purposes of this subdivision, “overhead costs” includes, but is not limited to, amounts paid for rent and equipment leasing and the reasonable fees authorized to be paid to administrative, managerial, technical, financial, and security personnel employed by the organization pursuant to subdivision ~~(d)~~ (c). For the purpose of keeping its overhead costs below 20 percent of gross sales, an authorized organization may elect to deduct all or a portion of the fees paid to financial institutions for the use and processing of credit card sales from the amount of gross revenues awarded for prizes. In that case, the redirected fees for the use and processing of credit card sales shall not be included in “overhead costs” as defined in the California Remote Caller Bingo Act. Additionally, fees paid to financial institutions for the use and processing of credit card sales shall not be deducted from the proceeds retained by the charitable organization.

~~(n)~~

(m) No person shall be allowed to participate in a remote caller bingo game unless the person is physically present at the time and place where the remote caller bingo game is being conducted. A person shall be deemed to be physically present at the place where the remote caller bingo game is being conducted if he or she is present at any of the locations participating in the remote caller bingo game in accordance with this section.

1 ~~(o)~~

2 ~~(n)~~ (1) An organization shall not cosponsor a remote caller
3 bingo game with one or more other organizations unless all of the
4 cosponsors are affiliated under the master charter or articles and
5 bylaws of a single organization involved in the same type of
6 activity.

7 (2) Notwithstanding paragraph (1), a maximum of 10
8 unaffiliated organizations described in paragraph (1) of subdivision
9 (b) may enter into an agreement to cosponsor a remote caller bingo
10 game, but that game shall have not more than 10 locations.

11 (3) An organization shall not conduct remote caller bingo more
12 than two days per week, except that an organization may hold one
13 additional game, at its election, in each calendar quarter.

14 (4) *Before sponsoring or operating any game authorized under*
15 *paragraph (1) or (2), each of the cosponsoring organizations shall*
16 *have entered into a written agreement, a copy of which shall be*
17 *provided to the commission or the department, setting forth how*
18 *the expenses and proceeds of the game are to be allocated among*
19 *the participating organizations, the bank accounts into which all*
20 *receipts are to be deposited and from which all prizes are to be*
21 *paid, and how game records are to be maintained and subjected*
22 *to annual audit.*

23 ~~(p)~~

24 (o) The value of prizes awarded during the conduct of any
25 remote caller bingo game shall not exceed 37 percent of the gross
26 receipts for that game. When an authorized organization elects to
27 deduct fees paid for the use and processing of credit card sales
28 from the amount of gross revenues for that game awarded for
29 prizes, the maximum amount of gross revenues that may be
30 awarded for prizes shall not exceed 37 percent of the gross receipts
31 for that game, less the amount of redirected fees paid for the use
32 and processing of credit card sales. Every remote caller bingo game
33 shall be played until a winner is declared. Progressive prizes are
34 prohibited. The declared winner of a remote caller bingo game
35 shall provide his or her identifying information and a mailing
36 address to a representative of the organization. Prizes shall be paid
37 only by check; no cash prizes shall be paid. The organization
38 conducting the remote caller bingo game may issue a check to the
39 winner at the time of the game, or may send a check to the declared
40 winner by United States Postal Service. All prize money exceeding

1 state and federal exemption limits on prize money shall be subject
2 to income tax reporting and withholding requirements under
3 applicable state and federal laws and regulations and those reports
4 and withholding shall be forwarded, within 10 business days, to
5 the appropriate state or federal agency on behalf of the winner. A
6 report shall accompany the amount withheld identifying the person
7 on whose behalf the money is being sent. Any game interrupted
8 by a transmission failure, electrical outage, or act of God shall be
9 considered void in the location that was affected. A refund for a
10 canceled game or games shall be provided to the purchasers.

11 ~~(q)~~

12 *(p) (1) A licensed organization, or a management company*
13 *contracted with a licensed organization, shall register all of its*
14 *local bingo licenses with the commission or the department. This*
15 *information shall be made available to the public upon request.*

16 *(2) The commission or the department may charge an annual*
17 *filing fee of two hundred dollars (\$200) to be used to cover the*
18 *actual costs to administer and enforce the registration requirement*
19 *described in paragraph (1). Fee revenues shall be deposited by the*
20 *commission or the department into the California Bingo Fund.*

21 *(q) (1) The Department of Justice shall conduct a background*
22 *investigation of each management company and conduct field*
23 *enforcement as it relates to remote caller bingo consistent with*
24 *the Gambling Control Act (Chapter 5 (commencing with Section*
25 *19800) of Division 8 of the Business and Professions Code), and*
26 *as specified in regulations promulgated by the commission.*

27 *(A) Each application for a license as a management company*
28 *shall be accompanied by a nonrefundable fee to cover the*
29 *background investigation costs of the department pursuant to this*
30 *paragraph. The fee shall be paid and accounted for in accordance*
31 *with Section 19867 of the Business and Professions Code.*

32 *(B) The department shall submit the results of the background*
33 *investigation of a management company to the local licensing*
34 *entity.*

35 ~~(r)-(1)~~

36 *(2) (A) If the local licensing entity requests a background check*
37 *from the department of any person required to be licensed pursuant*
38 *to the applicable local ordinance, it shall submit to the department*
39 *fingerprint images and related information required by the*
40 *department for the purpose of obtaining information as to the*

1 existence and content of a record of state and federal convictions
2 and arrests, including state or federal arrests for which the
3 department establishes that the person is free on bail or on his or
4 her own recognizance pending trial or appeal.

5 ~~(2)~~

6 (B) Upon receipt, the department shall forward requests for
7 federal summary criminal history information pursuant to this
8 ~~section~~ *paragraph* to the Federal Bureau of Investigation. The
9 department shall review the information returned from the Federal
10 Bureau of Investigation and compile and disseminate a response
11 to the local licensing entity.

12 ~~(3)~~

13 (C) The department shall provide a state or federal level response
14 to the local licensing entity pursuant to paragraph (1) of subdivision
15 (p) of Section 11105.

16 ~~(4)~~

17 (D) The local licensing entity shall request from the department
18 subsequent arrest notification service, as provided pursuant to
19 Section 11105.2, for persons described in ~~paragraph (1)~~
20 *subparagraph (A)*.

21 ~~(5)~~

22 (E) The department shall charge a fee sufficient to cover the
23 cost of processing requests pursuant to this subdivision *the request*
24 *described in this paragraph. The fee revenue shall be deposited*
25 *in the Fingerprint Fees Account, as generally described in*
26 *subdivision (e) of Section 11105 in the Penal Code, and,*
27 *notwithstanding Section 13340 of the Government Code, shall be*
28 *continuously appropriated to the department for the purpose of*
29 *paying the costs associated with this paragraph.*

30 ~~(6)~~

31 (3) (A) Fees and revenue collected pursuant to this subdivision,
32 *except as otherwise provided pursuant to subparagraph (E) of*
33 *paragraph (2), shall be deposited in the California Bingo Fund,*
34 *which is hereby created in the State Treasury. The funds deposited*
35 *in the California Bingo Fund shall be available, upon appropriation*
36 *by the Legislature, for expenditure by the commission and the*
37 *department exclusively for the support of the commission and the*
38 *department in carrying out their duties and responsibilities under*
39 *this section.*

(B) A loan is hereby authorized from the Gambling Control Fund to the California Bingo Fund on or after January 1, 2009, in an amount of up to five hundred thousand dollars (\$500,000) to fund operating, personnel, and other startup costs incurred by the commission relating to this act. Funds from the California Bingo Fund shall be available to the commission upon appropriation by the Legislature in the annual Budget Act. The loan shall be subject to all of the following conditions:

(i) The loan shall be repaid to the Gambling Control Fund as soon as there is sufficient money in the California Bingo Fund to repay the amount loaned.

(ii) Interest on the loan shall be paid from the California Bingo Fund at the rate accruing to moneys in the Pooled Money Investment Account.

(iii) The terms and conditions of the loan are approved, prior to the transfer of funds, by the Department of Finance pursuant to appropriate fiscal standards.

~~(s)~~

(r) An organization that conducts remote caller bingo games shall retain records in connection with the remote caller bingo game for five years.

~~(t)~~

(s) The local licensing entity shall monitor operation of the transmission and other equipment used for remote caller bingo, and monitor the game.

~~(u)~~

(t) (1) As used in this section, “remote caller bingo game” means a game of bingo, as defined in subdivision (o) of Section 326.5, in which the numbers or symbols on randomly drawn plastic balls are announced by a natural person present at the site at which the live game is conducted, and the organization conducting the bingo game uses audio and video technology to link any of its in-state facilities for the purpose of transmitting the remote calling of a live bingo game from a single location to multiple locations owned, leased, or rented by that organization, or as described in subdivision ~~(o)~~ (n) of this section. The audio or video technology used to link the facilities may include cable, Internet, satellite, broadband, or telephone technology, or any other means of electronic transmission that ensures the secure, accurate, and simultaneous transmission of the announcement of numbers or

symbols in the game from the location at which the game is called by a natural person to the remote location or locations at which players may participate in the game. The drawing of each ball bearing a number or symbol by the natural person calling the game shall be visible to all players as the ball is drawn, including through a simultaneous live video feed at remote locations at which players may participate in the game.

(2) Remote caller bingo games shall be played using traditional paper or other tangible bingo cards and daubers, and shall not be played by using electronic devices, except card-minding devices, as described in paragraph (1) of subdivision (p) of Section 326.5.

~~(v)~~

(u) A location shall not be eligible to participate in a remote caller bingo game if bingo games are conducted at that location in violation of Section 326.5, including, but not limited to, a location at which unlawful electronic devices are used.

~~(w)~~

(v) (1) The commission *or the department* may audit the books and records of a licensed organization or a management company contracted by a licensed organization to conduct remote caller bingo at any time and may charge *the licensed organization or a management company* a fee for the audit sufficient to cover the costs of performing the audit. ~~An audit shall be contingent upon the Legislature appropriating funds for this purpose.~~ Any information collected in the course of an audit shall be made available to the public upon request.

(2) A management company contracted with a licensed organization shall retain an independent California certified public accountant to conduct an annual audit of its books and records. The results of the audit shall be submitted to the commission *or the department* within 120 days after the close of the management company's fiscal year.

~~(x)~~

(w) (1) The provisions of this section are severable. If any provision of this section or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

(2) Notwithstanding paragraph (1), if paragraph (1) or (2) of subdivision ~~(u)~~ (t), or the application of either of those provisions, is held invalid, this entire section shall be invalid.

1 ~~(y)~~

2 (x) The following definitions apply for purposes of this section:

3 (1) “Commission” means the California Gambling Control
4 Commission.

5 (2) “Department” means the Department of Justice.

6 (3) “Local licensing entity” means the city, county, or city and
7 county.

8 (4) “Management company” means any person or business
9 organization retained by the licensed organization to install
10 equipment necessary to the electronic transmission of remote caller
11 bingo to locations in addition to the site where the game is being
12 called. “Management company” also means any person or business
13 organization retained by the licensed organization to operate the
14 electronic transmission of the remote caller bingo game to any or
15 all remote sites in addition to the site from which the game is being
16 called.

17 (5) “Organization” means the principal organization that the
18 cosponsors are affiliated with. All cosponsors shall be considered
19 part of the organization with one person serving as the fiduciary
20 for the organization and all affiliated cosponsors.

21 (6) “Person” includes a natural person, corporation, limited
22 liability company, partnership, trust, joint venture, association, or
23 any other business organization.

24 (y) (1) *On or before October 1, 2015, the department and the*
25 *commission shall report their findings to the Legislature, including*
26 *the Senate and Assembly Committees on Governmental*
27 *Organization, the Senate and Assembly Committees on*
28 *Appropriations, the President pro Tempore of the Senate, and the*
29 *Speaker of the Assembly, as to whether continuation of the remote*
30 *caller bingo program, as implemented pursuant to this section,*
31 *and state oversight of that program are warranted based on all of*
32 *the following findings, including, but not limited to:*

33 (A) *The number of nonprofit organizations registered and*
34 *licensed to conduct remote caller bingo.*

35 (B) *The number of management companies licensed to assist a*
36 *licensed organization to conduct remote caller bingo.*

37 (C) *The number of remote caller bingo games conducted*
38 *annually.*

39 (D) *The total annual revenue received by licensed organizations.*

1 (E) *The total annual revenue received by the state in the form*
2 *of fees associated with remote caller bingo.*

3 (F) *The total annual cost to the department and the commission*
4 *to carry out regulatory and enforcement activities pursuant to*
5 *Section 326.3, and whether the department and the commission*
6 *have sufficient funding through the fee revenue generated by the*
7 *program to adequately comply with the requirements of Section*
8 *326.3.*

9 (G) *The recommendations of the department and the commission*
10 *as to how the remote caller bingo program may be improved, if*
11 *applicable.*

12 (2) *This section shall remain in effect only until January 1, 2017,*
13 *and as of that date is repealed, unless a later enacted statute, that*
14 *is enacted before January 1, 2017, deletes or extends that date.*

15 ~~SEC. 4.~~

16 SEC. 5. Section 326.5 of the Penal Code is amended to read:

17 326.5. (a) Neither the prohibition on gambling in this chapter
18 nor in Chapter 10 (commencing with Section 330) applies to any
19 bingo game that is conducted in a city, county, or city and county
20 pursuant to an ordinance enacted under Section 19 of Article IV
21 of the California Constitution, if the ordinance allows games to be
22 conducted only in accordance with this section, and only by
23 organizations exempted from the payment of the bank and
24 corporation tax by Sections 23701a, 23701b, 23701d, 23701e,
25 23701f, 23701g, 23701k, 23701l, and 23701w of the Revenue and
26 Taxation Code, and by mobilehome park associations, senior
27 citizens organizations, and charitable organizations affiliated with
28 a school district; and if the receipts of those games are used only
29 for charitable purposes. The ordinance may be amended by
30 resolution of the governing body of the city, county, or city and
31 county to allow a remote caller bingo game to be played or
32 conducted in accordance with the requirements of Section 326.3.

33 (b) It is a misdemeanor for any person to receive or pay a profit,
34 wage, or salary from any bingo game authorized by Section 19 of
35 Article IV of the California Constitution. Security personnel
36 employed by the organization conducting the bingo game may be
37 paid from the revenues of bingo games, as provided in subdivisions
38 (j) and (k).

39 (c) A violation of subdivision (b) shall be punishable by a fine
40 not to exceed ten thousand dollars (\$10,000), which fine is

1 deposited in the general fund of the city, county, or city and county
2 that enacted the ordinance authorizing the bingo game. A violation
3 of any provision of this section, other than subdivision (b), is a
4 misdemeanor.

5 (d) The city, county, or city and county that enacted the
6 ordinance authorizing the bingo game may bring an action to enjoin
7 a violation of this section.

8 (e) No minors shall be allowed to participate in any bingo game.

9 (f) An organization authorized to conduct bingo games pursuant
10 to subdivision (a) shall conduct a bingo game only on property
11 owned or leased by it, or property whose use is donated to the
12 organization, and which property is used by that organization for
13 an office or for performance of the purposes for which the
14 organization is organized. Nothing in this subdivision shall be
15 construed to require that the property owned or leased by, or whose
16 use is donated to, the organization be used or leased exclusively
17 by, or donated exclusively to, that organization.

18 (g) All bingo games shall be open to the public, not just to the
19 members of the authorized organization.

20 (h) A bingo game shall be operated and staffed only by members
21 of the authorized organization that organized it. Those members
22 shall not receive a profit, wage, or salary from any bingo game.
23 Only the organization authorized to conduct a bingo game shall
24 operate such a game, or participate in the promotion, supervision,
25 or any other phase of a bingo game. This subdivision does not
26 preclude the employment of security personnel who are not
27 members of the authorized organization at a bingo game by the
28 organization conducting the game.

29 (i) No individual, corporation, partnership, or other legal entity,
30 except the organization authorized to conduct a bingo game, shall
31 hold a financial interest in the conduct of a bingo game.

32 (j) With respect to organizations exempt from payment of the
33 bank and corporation tax by Section 23701d of the Revenue and
34 Taxation Code, all profits derived from a bingo game shall be kept
35 in a special fund or account and shall not be commingled with any
36 other fund or account. Those profits shall be used only for
37 charitable purposes.

38 (k) With respect to other organizations authorized to conduct
39 bingo games pursuant to this section, all proceeds derived from a
40 bingo game shall be kept in a special fund or account and shall not

1 be commingled with any other fund or account. Proceeds are the
2 receipts of bingo games conducted by organizations not within
3 subdivision (j). Those proceeds shall be used only for charitable
4 purposes, except as follows:

5 (1) The proceeds may be used for prizes.

6 (2) (A) Except as provided in subparagraph (B), a portion of
7 the proceeds, not to exceed 20 percent of the proceeds before the
8 deduction for prizes, or two thousand dollars (\$2,000) per month,
9 whichever is less, may be used for the rental of property and for
10 overhead, including the purchase of bingo equipment,
11 administrative expenses, security equipment, and security
12 personnel.

13 (B) For the purposes of bingo games conducted by the Lake
14 Elsinore Elks Lodge, a portion of the proceeds, not to exceed 20
15 percent of the proceeds before the deduction for prizes, or three
16 thousand dollars (\$3,000) per month, whichever is less, may be
17 used for the rental of property and for overhead, including the
18 purchase of bingo equipment, administrative expenses, security
19 equipment, and security personnel. Any amount of the proceeds
20 that is additional to that permitted under subparagraph (A), up to
21 one thousand dollars (\$1,000), shall be used for the purpose of
22 financing the rebuilding of the facility and the replacement of
23 equipment that was destroyed by fire in 2007. The exception to
24 subparagraph (A) that is provided by this subparagraph shall remain
25 in effect only until the cost of rebuilding the facility is repaid, or
26 January 1, 2019, whichever occurs first.

27 (3) The proceeds may be used to pay license fees.

28 (4) A city, county, or city and county that enacts an ordinance
29 permitting bingo games may specify in the ordinance that if the
30 monthly gross receipts from bingo games of an organization within
31 this subdivision exceed five thousand dollars (\$5,000), a minimum
32 percentage of the proceeds shall be used only for charitable
33 purposes not relating to the conducting of bingo games and that
34 the balance shall be used for prizes, rental of property, overhead,
35 administrative expenses, and payment of license fees. The amount
36 of proceeds used for rental of property, overhead, and
37 administrative expenses is subject to the limitations specified in
38 paragraph (2).

39 (l) (1) A city, county, or city and county may impose a license
40 fee on each organization that it authorizes to conduct bingo games.

1 The fee, whether for the initial license or renewal, shall not exceed
2 fifty dollars (\$50) annually, except as provided in paragraph (2).
3 If an application for a license is denied, one-half of any license
4 fee paid shall be refunded to the organization.

5 (2) In lieu of the license fee permitted under paragraph (1), a
6 city, county, or city and county may impose a license fee of fifty
7 dollars (\$50) paid upon application. If an application for a license
8 is denied, one-half of the application fee shall be refunded to the
9 organization. An additional fee for law enforcement and public
10 safety costs incurred by the city, county, or city and county that
11 are directly related to bingo activities may be imposed and shall
12 be collected monthly by the city, county, or city and county issuing
13 the license; however, the fee shall not exceed the actual costs
14 incurred in providing the service.

15 (m) No person shall be allowed to participate in a bingo game,
16 unless the person is physically present at the time and place where
17 the bingo game is being conducted.

18 (n) The total value of prizes available to be awarded during the
19 conduct of any bingo games shall not exceed five hundred dollars
20 (\$500) in cash or kind, or both, for each separate game which is
21 held.

22 (o) As used in this section, “bingo” means a game of chance in
23 which prizes are awarded on the basis of designated numbers or
24 symbols that are marked or covered by the player on a tangible
25 card in the player’s possession and that conform to numbers or
26 symbols, selected at random and announced by a live caller.
27 Notwithstanding Section 330c, as used in this section, the game
28 of bingo includes tangible cards having numbers or symbols that
29 are concealed and preprinted in a manner providing for distribution
30 of prizes. Electronics or video displays shall not be used in
31 connection with the game of bingo, except in connection with the
32 caller’s drawing of numbers or symbols and the public display of
33 that drawing, and except as provided in subdivision (p). The
34 winning cards shall not be known prior to the game by any person
35 participating in the playing or operation of the bingo game. All
36 preprinted cards shall bear the legend, “for sale or use only in a
37 bingo game authorized under California law and pursuant to local
38 ordinance.” Only a covered or marked tangible card possessed by
39 a player and presented to an attendant may be used to claim a prize.
40 It is the intention of the Legislature that bingo as defined in this

subdivision applies exclusively to this section and shall not be applied in the construction or enforcement of any other provision of law.

(p) (1) Players who are physically present at a bingo game may use hand-held, portable card-minding devices, as described in this subdivision, to assist in monitoring the numbers or symbols announced by a live caller as those numbers or symbols are called in a live game. Card-minding devices may not be used in connection with any game where a bingo card may be sold or distributed after the start of the ball draw for that game. A card-minding device shall do all of the following:

(A) Be capable of storing in the memory of the device bingo faces of tangible cards purchased by a player.

(B) Provide a means for bingo players to input manually each individual number or symbol announced by a live caller.

(C) Compare the numbers or symbols entered by the player to the bingo faces previously stored in the memory of the device.

(D) Identify winning bingo patterns that exist on the stored bingo faces.

(2) A card-minding device shall perform no functions involving the play of the game other than those described in paragraph (1). Card-minding devices shall not do any of the following:

(A) Be capable of accepting or dispensing any coins, currency, or other representative of value or on which value has been encoded.

(B) Be capable of monitoring any bingo card face other than the faces of the tangible bingo card or cards purchased by the player for that game.

(C) Display or represent the game result through any means, including, but not limited to, video or mechanical reels or other slot machine or casino game themes, other than highlighting the winning numbers or symbols marked or covered on the tangible bingo cards or giving an audio alert that the player's card has a prize-winning pattern.

(D) Determine the outcome of any game or be physically or electronically connected to any component that determines the outcome of a game or to any other bingo equipment, including, but not limited to, the ball call station, or to any other card-minding device. No other player-operated or player-activated electronic or

1 electromechanical device or equipment is permitted to be used in
2 connection with a bingo game.

3 *(q) This section shall remain in effect only until January 1, 2017,*
4 *and as of that date is repealed, unless a later enacted statute, that*
5 *is enacted before January 1, 2017, deletes or extends that date.*

6 SEC. 6. Section 326.5 is added to the Penal Code, to read:

7 326.5. (a) Neither the prohibition on gambling in this chapter
8 nor in Chapter 10 (commencing with Section 330) applies to any
9 bingo game that is conducted in a city, county, or city and county
10 pursuant to an ordinance enacted under Section 19 of Article IV
11 of the California Constitution, if the ordinance allows games to
12 be conducted only in accordance with this section, and only by
13 organizations exempted from the payment of the bank and
14 corporation tax by Sections 23701a, 23701b, 23701d, 23701e,
15 23701f, 23701g, 23701k, 23701l, and 23701w of the Revenue and
16 Taxation Code, and by mobilehome park associations, senior
17 citizens organizations, and charitable organizations affiliated with
18 a school district; and if the receipts of those games are used only
19 for charitable purposes.

20 (b) It is a misdemeanor for any person to receive or pay a profit,
21 wage, or salary from any bingo game authorized by Section 19 of
22 Article IV of the California Constitution. Security personnel
23 employed by the organization conducting the bingo game may be
24 paid from the revenues of bingo games, as provided in subdivisions
25 (j) and (k).

26 (c) A violation of subdivision (b) shall be punishable by a fine
27 not to exceed ten thousand dollars (\$10,000), which fine is
28 deposited in the general fund of the city, county, or city and county
29 that enacted the ordinance authorizing the bingo game. A violation
30 of any provision of this section, other than subdivision (b), is a
31 misdemeanor.

32 (d) The city, county, or city and county that enacted the
33 ordinance authorizing the bingo game may bring an action to
34 enjoin a violation of this section.

35 (e) No minors shall be allowed to participate in any bingo game.

36 (f) An organization authorized to conduct bingo games pursuant
37 to subdivision (a) shall conduct a bingo game only on property
38 owned or leased by it, or property whose use is donated to the
39 organization, and which property is used by that organization for
40 an office or for performance of the purposes for which the

1 organization is organized. Nothing in this subdivision shall be
2 construed to require that the property owned or leased by, or
3 whose use is donated to, the organization be used or leased
4 exclusively by, or donated exclusively to, that organization.

5 (g) All bingo games shall be open to the public, not just to the
6 members of the authorized organization.

7 (h) A bingo game shall be operated and staffed only by members
8 of the authorized organization that organized it. Those members
9 shall not receive a profit, wage, or salary from any bingo game.
10 Only the organization authorized to conduct a bingo game shall
11 operate such a game, or participate in the promotion, supervision,
12 or any other phase of a bingo game. This subdivision does not
13 preclude the employment of security personnel who are not
14 members of the authorized organization at a bingo game by the
15 organization conducting the game.

16 (i) No individual, corporation, partnership, or other legal entity,
17 except the organization authorized to conduct a bingo game, shall
18 hold a financial interest in the conduct of a bingo game.

19 (j) With respect to organizations exempt from payment of the
20 bank and corporation tax by Section 23701d of the Revenue and
21 Taxation Code, all profits derived from a bingo game shall be kept
22 in a special fund or account and shall not be commingled with any
23 other fund or account. Those profits shall be used only for
24 charitable purposes.

25 (k) With respect to other organizations authorized to conduct
26 bingo games pursuant to this section, all proceeds derived from a
27 bingo game shall be kept in a special fund or account and shall
28 not be commingled with any other fund or account. Proceeds are
29 the receipts of bingo games conducted by organizations not within
30 subdivision (j). Those proceeds shall be used only for charitable
31 purposes, except as follows:

32 (1) The proceeds may be used for prizes.

33 (2) (A) Except as provided in subparagraph (B), a portion of
34 the proceeds, not to exceed 20 percent of the proceeds before the
35 deduction for prizes, or two thousand dollars (\$2,000) per month,
36 whichever is less, may be used for the rental of property and for
37 overhead, including the purchase of bingo equipment,
38 administrative expenses, security equipment, and security
39 personnel.

1 (B) For the purposes of bingo games conducted by the Lake
2 Elsinore Elks Lodge, a portion of the proceeds, not to exceed 20
3 percent of the proceeds before the deduction for prizes, or three
4 thousand dollars (\$3,000) per month, whichever is less, may be
5 used for the rental of property and for overhead, including the
6 purchase of bingo equipment, administrative expenses, security
7 equipment, and security personnel. Any amount of the proceeds
8 that is additional to that permitted under subparagraph (A), up to
9 one thousand dollars (\$1,000), shall be used for the purpose of
10 financing the rebuilding of the facility and the replacement of
11 equipment that was destroyed by fire in 2007. The exception to
12 subparagraph (A) that is provided by this subparagraph shall
13 remain in effect only until the cost of rebuilding the facility is
14 repaid, or January 1, 2019, whichever occurs first.

15 (3) The proceeds may be used to pay license fees.

16 (4) A city, county, or city and county that enacts an ordinance
17 permitting bingo games may specify in the ordinance that if the
18 monthly gross receipts from bingo games of an organization within
19 this subdivision exceed five thousand dollars (\$5,000), a minimum
20 percentage of the proceeds shall be used only for charitable
21 purposes not relating to the conducting of bingo games and that
22 the balance shall be used for prizes, rental of property, overhead,
23 administrative expenses, and payment of license fees. The amount
24 of proceeds used for rental of property, overhead, and
25 administrative expenses is subject to the limitations specified in
26 paragraph (2).

27 (l) (1) A city, county, or city and county may impose a license
28 fee on each organization that it authorizes to conduct bingo games.
29 The fee, whether for the initial license or renewal, shall not exceed
30 fifty dollars (\$50) annually, except as provided in paragraph (2).
31 If an application for a license is denied, one-half of any license
32 fee paid shall be refunded to the organization.

33 (2) In lieu of the license fee permitted under paragraph (1), a
34 city, county, or city and county may impose a license fee of fifty
35 dollars (\$50) paid upon application. If an application for a license
36 is denied, one-half of the application fee shall be refunded to the
37 organization. An additional fee for law enforcement and public
38 safety costs incurred by the city, county, or city and county that
39 are directly related to bingo activities may be imposed and shall
40 be collected monthly by the city, county, or city and county issuing

1 *the license; however, the fee shall not exceed the actual costs*
2 *incurred in providing the service.*

3 *(m) No person shall be allowed to participate in a bingo game,*
4 *unless the person is physically present at the time and place where*
5 *the bingo game is being conducted.*

6 *(n) The total value of prizes available to be awarded during the*
7 *conduct of any bingo games shall not exceed five hundred dollars*
8 *(\$500) in cash or kind, or both, for each separate game which is*
9 *held.*

10 *(o) As used in this section, “bingo” means a game of chance in*
11 *which prizes are awarded on the basis of designated numbers or*
12 *symbols that are marked or covered by the player on a tangible*
13 *card in the player’s possession and that conform to numbers or*
14 *symbols, selected at random and announced by a live caller.*
15 *Notwithstanding Section 330c, as used in this section, the game*
16 *of bingo includes tangible cards having numbers or symbols that*
17 *are concealed and preprinted in a manner providing for*
18 *distribution of prizes. Electronics or video displays shall not be*
19 *used in connection with the game of bingo, except in connection*
20 *with the caller’s drawing of numbers or symbols and the public*
21 *display of that drawing, and except as provided in subdivision (p).*
22 *The winning cards shall not be known prior to the game by any*
23 *person participating in the playing or operation of the bingo game.*
24 *All preprinted cards shall bear the legend, “for sale or use only*
25 *in a bingo game authorized under California law and pursuant to*
26 *local ordinance.” Only a covered or marked tangible card*
27 *possessed by a player and presented to an attendant may be used*
28 *to claim a prize. It is the intention of the Legislature that bingo as*
29 *defined in this subdivision applies exclusively to this section and*
30 *shall not be applied in the construction or enforcement of any*
31 *other provision of law.*

32 *(p) (1) Players who are physically present at a bingo game*
33 *may use hand-held, portable card-minding devices, as described*
34 *in this subdivision, to assist in monitoring the numbers or symbols*
35 *announced by a live caller as those numbers or symbols are called*
36 *in a live game. Card-minding devices may not be used in*
37 *connection with any game where a bingo card may be sold or*
38 *distributed after the start of the ball draw for that game. A*
39 *card-minding device shall do all of the following:*

1 (A) *Be capable of storing in the memory of the device bingo*
2 *faces of tangible cards purchased by a player.*

3 (B) *Provide a means for bingo players to input manually each*
4 *individual number or symbol announced by a live caller.*

5 (C) *Compare the numbers or symbols entered by the player to*
6 *the bingo faces previously stored in the memory of the device.*

7 (D) *Identify winning bingo patterns that exist on the stored*
8 *bingo faces.*

9 (2) *A card-minding device shall perform no functions involving*
10 *the play of the game other than those described in paragraph (1).*
11 *Card-minding devices shall not do any of the following:*

12 (A) *Be capable of accepting or dispensing any coins, currency,*
13 *or other representative of value or on which value has been*
14 *encoded.*

15 (B) *Be capable of monitoring any bingo card face other than*
16 *the faces of the tangible bingo card or cards purchased by the*
17 *player for that game.*

18 (C) *Display or represent the game result through any means,*
19 *including, but not limited to, video or mechanical reels or other*
20 *slot machine or casino game themes, other than highlighting the*
21 *winning numbers or symbols marked or covered on the tangible*
22 *bingo cards or giving an audio alert that the player's card has a*
23 *prize-winning pattern.*

24 (D) *Determine the outcome of any game or be physically or*
25 *electronically connected to any component that determines the*
26 *outcome of a game or to any other bingo equipment, including,*
27 *but not limited to, the ball call station, or to any other card-minding*
28 *device. No other player-operated or player-activated electronic*
29 *or electromechanical device or equipment is permitted to be used*
30 *in connection with a bingo game.*

31 (q) *This section shall become operative on January 1, 2017.*

32 ~~SEC. 5.~~

33 SEC. 7. No reimbursement is required by this act pursuant to
34 Section 6 of Article XIII B of the California Constitution because
35 the only costs that may be incurred by a local agency or school
36 district will be incurred because this act creates a new crime or
37 infraction, eliminates a crime or infraction, or changes the penalty
38 for a crime or infraction, within the meaning of Section 17556 of
39 the Government Code, or changes the definition of a crime within

1 the meaning of Section 6 of Article XIII B of the California
2 Constitution.

3 ~~SEC. 6.~~

4 *SEC. 8.* This act is an urgency statute necessary for the
5 immediate preservation of the public peace, health, or safety within
6 the meaning of Article IV of the Constitution and shall go into
7 immediate effect. The facts constituting the necessity are:

8 ~~The California Gambling Control Commission's funding~~
9 ~~authority for the remote caller bingo program, which is a loan from~~
10 ~~the Gambling Control Fund, and limited-term positions expired~~
11 ~~on June 30, 2011. Without that funding authority and those~~
12 ~~positions, the commission cannot perform work related to the~~
13 ~~remote caller bingo program after June 30, 2011. In order to define~~
14 ~~the roles of the Department of Justice and the California Gambling~~
15 ~~Control Commission relating to remote caller bingo in accordance~~
16 ~~with the Governor's Reorganization Plan No. 2 of 2012, and to~~
17 provide continuity for charitable organizations that are conducting
18 remote caller bingo at the earliest possible time, it is necessary
19 that this act take effect immediately.

20
21
22 CORRECTIONS:

23 Date Line—Page 1.
24